

## Sample Forbearance Status List

[illegible]

## Sample Forbearance Request Checklist

**PHA:** Shady Grove PHA

**HA ID:** MD001

**Program:** Public Housing

**Date forbearance request received:** 13 April 1999

**Date of response to forbearance request:** 25 April 1999

Required forbearance request element	Yes	No
1. Did PHA describe its reporting deficiency?	✓	
2. Did PHA explain the problems it has encountered?	✓	
3. Did PHA provide specific steps to improve reporting performance and overcome problems?		✓
4. Did PHA provide monthly goals to reach an 85 percent reporting rate by the next semi-annual assessment?	✓	
5. If it's a second request, did PHA demonstrate substantial improvement of its reporting rate?	✓	
6. If it's a third request, did PHA increase its reporting rate by at least 25 percent?	N/A	N/A

## Key dates

### Overview of Forbearance Opportunities

The February HA Delinquency report marked the first reporting assessment for Form HUD-50058 submissions. PHAs that fail to meet the 85 percent minimum reporting requirement for either Public Housing or Section 8 have three ways to avoid sanctions for the February-June initial assessment period:

1. Reach 85 percent by the first semi-annual assessment
2. Request a forbearance in writing by April 15, 1999
3. Request a forbearance in writing by August 15, 1999.

If a PHA submits a request by April 15, the PHA avoids a review by their Field Office or TARC in July.

After this initial period, the forbearance process will “look back” at the last semi-annual performance assessment. PHAs request forbearance from sanctions for the previous assessment period.

### Key Dates

Date	Action
March 15, 1999	Field Office/TARC conduct initial assessment begins (approximate date)
April 15, 1999	PHA forbearance request deadline for initial February - June, 1999 period
May 15, 1999	Field Office/TARC deadline to report forbearance requests status to PAHD Field Office/TARC review of underreporting PHAs without forbearance
July 15, 1999	Field Office/TARC conduct first semi-annual assessment for February - June, 1999 period (approximate date)
August 15, 1999	PHA forbearance request deadline for initial February - June, 1999 period
September 15, 1999	Field Office/TARC deadline to report forbearance request status to PAHD Field Office/TARC review of underreporting PHAs without forbearance
September 30, 1999	PAHD informs FMC of PHAs to sanction for the February - June, 1999 period
January 15, 2000	Field Office/TARC conduct second semi-annual assessment for July - December, 1999 period (approximate date)
February 15, 2000	PHA forbearance request deadline for July - December, 1999 period Field Office/TARC forwards third forbearance requests to PAHD
March 15, 2000	Field Office/TARC deadline to report forbearance requests to PAHD Field Office/TARC review of underreporting PHAs without forbearance
March 31, 2000	PAHD informs FMC of PHAs to sanction for July - December, 1999 period

## MTCS FORBEARANCE from SANCTIONS REQUEST

HOUSING AGENCY NAME: \_\_\_\_\_

Period Ended:    ξ June \_\_\_\_\_                   ξDecember \_\_\_\_\_

●**Part A.** IDENTIFY THE PROBLEMS(S) ENCOUNTERED THAT HAVE PREVENTED  
100 PERCENT MTCS REPORTING:

●**Part B.** DESCRIBE THE SPECIFIC STEPS THAT WILL BE IMPLEMENTED TO CORRECT THE  
PROBLEM(S) AND THUS IMPROVE THE MTCS REPORTING RATE:

1. \_\_\_\_\_  
\_\_\_\_\_
2. \_\_\_\_\_  
\_\_\_\_\_
3. \_\_\_\_\_  
\_\_\_\_\_
4. \_\_\_\_\_  
\_\_\_\_\_
5. \_\_\_\_\_  
\_\_\_\_\_

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**●Part C:****M o n t h l y      T a r g e t s**

<b>(1)</b> Baseline Reporting Rate as of  _____ (Below 85%)	<b>(2)</b>  Reporting Rate Goal	<b>(3)</b> 1 <sup>st</sup> Month  Date:  _____	<b>(4)</b> 2 <sup>nd</sup> Month  Date:  _____	<b>(5)</b> 3 <sup>rd</sup> Month  Date:  _____	<b>(6)</b> 4 <sup>th</sup> Month  Date:  _____	<b>(7)</b> 5 <sup>th</sup> Month  Date:  _____	<b>(8)</b> 6 <sup>th</sup> Month  Date:  _____

**●Part D:** Signatories to Forbearance

Chairperson of the Board

X \_\_\_\_\_ Date \_\_\_\_\_

Executive Director

X \_\_\_\_\_ Date: \_\_\_\_\_

A Board Resolution ensuring the PHA's commitment to take all actions to achieve the monthly goals is required and shall be attached to this document.

## **Instructions to the MTCS FORBEARANCE from SANCTIONS REQUEST**

The Forbearance Requests are required as specified in Notice PIH 99-2 for PHAs that have a MTCS reporting rate less than 85 percent for any of the semi-annual periods ending June and December each year. This request should identify the major problems that have prevented the PHA from accomplishing at least an 85 percent reporting rate, and should demonstrate how the PHA will substantially improve to an acceptable reporting rate.

Forbearance requests for the period ended June, must be submitted to the field office by the following August 15<sup>th</sup>. Forbearance requests for the period ended December must be submitted to the field office by the following February 15<sup>th</sup>.

PHAs that submit a written forbearance request but fail to achieve the reporting rate as described in their written forbearance request are subjected to a review by the HUD and/or possible sanctions. Requests to extend a forbearance will be reviewed thoroughly by the field office and will be approved on a case-by-case basis for PHAs that can demonstrate substantial progress in reporting toward the 85% rate. PHAs that receive approval of more than two forbearance requests are subject to review by the HUD Headquarters.

**Part A.** List the problems(s) the PHA has faced.

**Part B.** Describe how and when an acceptable MTCS reporting rate will be accomplished. Focus on strategies for corrective action that will result in improved MTCS reporting rates that will assist in achieving the targets set forth in Part C.

**Part C.**

Column (1): Enter the date and the PHA's deficient reporting rate.

Column (2) Enter the goal that the PHA has agreed to accomplish by the end of the term of this forbearance.

Column (3) Enter the goal that the PHA has agreed to accomplish during the first target month .

Columns (4) thru (8) Enter the subsequent monthly targets agreed upon. The PHA must plan to meet the 85% minimum reporting rate within a total of six months.

## **Sample Forbearance Request #1**

February 22, 1999

Dear Field Office:

Pursuant to PIH Notice 99-2 we are requesting forbearance from sanctions due to our failure to comply with MTCS reporting requirements for our Public Housing and Section 8 programs.

We have been in contact with your Field Office since PIH Notice 98-30 (5/29/98) advised us to keep you informed regarding our MTCS reporting status. In the spring of 1998, we were scheduled for a software conversion/upgrade that would have enabled us to continue reporting 100% of our 50058s. Our effort was interrupted by the takeover of our software provider by another company. As you are aware, we were one of several Housing Authorities to be caught in the middle by the merger of these companies. Since that time, three "go-live" conversion dates scheduled by the new software provider have come and gone with little progress made.

The software provider has been unable to deliver the final software necessary for conversion of existing data. They did subcontract out some of the necessary software modifications and we are currently testing those modifications. If our tests are successful, the company has indicated a conversion/testing timeframe of May 1999. In addition to our program software we have concerns about Y2K compatibility of the new product.

Our confidence that this conversion will actually happen is low. As a result, we have recently issued a Request for Proposal for a software vendor.

Correcting this problem is not a matter of achieving monthly goals. Prior to the 50058 changes effective June 1, 1998, our Housing Authority maintained an excellent 50058 reporting record. We simply haven't had the software to continue our reporting. We know that with complete, compliant working software we will immediately restart our reporting. If our conversion happens in May, we will restart the required MTCS reporting at that time.

Sincerely,

## **Sample Forbearance Request #2**

February 22, 1999

Dear Field Office:

The purpose of this letter is to request a written forbearance for MTCS reporting deficiencies, which are direct results of software programming format issues with our 50058 form.

In late August, we notified you we were in contact with our current software provider to do reprogramming of our software in order to meet the new 50058 standards. It would have been a temporary solution until we acquired new operating software that would meet our long-term goals. Unfortunately after five months, our vendor informed us the process to reprogram the existing software would be more extensive than first anticipated. At the same time, our RFP evaluation process for new operating software and vendor related current available products and providers did not meet our requirements. Therefore, we are continuing our search for operating software that will meet our needs and satisfy HUD requirements.

We have scheduled a software evaluation on February 26, 1999 at Pierce County and feel that their system may meet our long-term needs. After the evaluation, we will determine whether this operating system will fulfill all of our requirements; and if so, we will begin the purchase process within forty-five days. Once this process is completed, we will inform you of the time frame it takes to conform to MTCS standards. If the evaluation is unsuccessful, we are prepared to seek alternative methods that will meet our 50058 processing and transmission requirements in a timely manner.

We will continue to send our reports to MTCS using the old format form of 50058 until we purchase new software, even though reports indicate we are not reporting.

Sincerely,



### **Sample Forbearance Request #3**

March 19, 1999

Dear Field Office:

The Housing Authority respectfully request forbearance for both its Section 8 and Public Housing programs for the following reasons:

1. The agency server crashed and resident data was destroyed
2. We had difficulty with the software vendor and technical support. We could not transmit via the Internet and selected a vendor to transmit all data.
3. The contract vendor is not submitting the data in a timely fashion.

To rectify the above mentioned problems the Authority has done the following:

1. Awarded a contract to a new vendor on March 10, 1999 to provide new windows-based software.
2. Purchased a new server.
3. Continued the MTCS submittal vendor to insure that all data is transmitted in a timely manner.

All data will be converted to the new system within 90 days and the agency will be able to comply with the reporting requirements.

Sincerely,

## **Sample Forbearance Request #4**

February 22, 1999

Dear Field Office:

Per your notification to our Housing Agency on 2/10/99 on the above reporting of the New 50058. Our Housing Agency was making every effort to comply with these requirements. In 1996 we hired a company to computerize our Section 8 program. We are very pleased with it. At that time, the programmer also included the old 50058 software and we were transmitting the required 50058 to MTCS through our modem. When our agency was notified that we must now comply and start transmitting the new 50058 we submitted the new regulations that we obtained from HUD to our vendor in order for them to make the new required software changes.

In December 1998, our vendor assured us that he had the test program ready and that he was using another Housing Agency for the final testing and that sometime in January 1999, he would bring in our new HUD 50058 software. After several phone calls and written request to our vendor to find out what the delay was about, our agency finally received a letter from the vendor notifying us that they would no longer be available to support our computer software needs. Please see letter dated 2/4/99.

Our Housing Agency is requesting that we be given forbearance from sanctions because we need to find another competent computer programmer to put in the required new 50058 software. We have already contacted other Housing Agencies for references. Our Housing Agency would appreciate any assistance from you in obtaining the required software.

Sincerely,